GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2569
ANSWERED ON:02.08.2016
Public Distribution System
Roy Prof. Saugata

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Public Distribution System (PDS) in its original form has failed to serve the Below Poverty Line (BPL) population due to its urban bias, negligible coverage in the States with the highest concentration of the rural poor and lack of transparent and accountable arrangements for delivery;
(b) if so, the details thereof and the response of the Government thereto; and
(c) the steps taken by the Government to streamline the system and to fix accountability and responsibility to ensure that each poor family get their full entitlement under the scheme?

Answer

MINISTER OF STATE FOR CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION
(SHRI C. R. CHAUDHARY)
(a) & (b). Government of India has enacted the National Food Security Act, 2013 (NFSA) on 10.09.2013, which has come into force with effect from 05.07.2013 for receiving subsidized foodgrains under TPDS upto 75% of the rural population and upto 50 % of the urban population of the country. Under NFSA, the coverage under TPDS has been delinked from poverty estimates and the eligible households covered under the Act comprises of Antyodaya Anna Yojana (AAY) households and Priority households. As per the above coverage and based on 2011 census population, the number of persons eligible for subsidized foodgrains under TPDS in the country is estimated at about 81.35 crore.
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(c). Strengthening and streamlining of Targeted Public Distribution System (TPDS) is a continuous endeavour. To improve functioning of TPDS and effective implementation of it, Government has been regularly issuing advisories and holding meetings, conferences, etc. wherein State/UT Governments are requested for review of list of beneficiaries, improving the offtake of allocated foodgrains, ensuring timely availability of foodgrains at Fair Price Shops (FPSs), greater transparency in functioning of TPDS, improved monitoring and vigilance at various levels, improving the viability of FPS operations, etc. The National Food Security Act (NFSA), 2013 also contains measures for reforms in TPDS, to be under taken progressively by the Central and State/UT Governments. These reforms include cash transfer, door-step delivery of foodgrains at the FPS, application of information and communication technology tools including end to end computerization preference to public institutions/bodies in licensing of FPS,etc.
With a view to reform and modernize the Targeted Public Distribution System (TPDS), Government has initiated a plan scheme on 'End-to-end Computerization of TPDS Operations during 12th Five Year Plan (2012-17) on cost sharing basis with the States/UTs. The Costs are being shared on 90:10 basis with North Eastern States and on 50:50 basis with other States/UTs. This scheme comprises activities, namely, digitization of ration cards/beneficiary and other databases, computerization of supply-chain management, setting up of transparency portals and grievances redressal mechanism. As part of beneficiary data digitization, States/UTs have been requested to seed the Aadhaar numbers wherever available so as to weed out the ineligible/bogus/duplicate beneficiaries. Further, guidelines for Fair Price Shop (FPS) automation have been sent to All States/UTs on 11.11.2014. FPS automation involves, installation of Point of Sale (PoS) devises at FPS for biometric authentication of beneficiaries, recording of sales to beneficiaries at the FPS, and uploading of transaction data in central server. In addition, States/UTs can implement cash transfer scheme in their States/UTs. Under the scheme, the subsidy will be credited in the bank accounts of beneficiaries who may buy foodgrains from anywhere in the market.
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